# LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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### FISCAL IMPACT STATEMENT

**LS 6528 NOTE PREPARED:** Dec 16, 2010

BILL NUMBER: HB 1522 BILL AMENDED:

**SUBJECT:** Smoking Devices and Tobacco Businesses.

FIRST AUTHOR: Rep. VanDenburgh BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that smoking pipes and smoking devices may be sold at retail only by tobacco businesses in which: (1) the primary activity is the sale of tobacco, tobacco products, and tobacco accessories; and (2) the sale of other products is incidental. It makes a violation of this provision a Class A infraction.

It also makes it a Class C infraction for: (1) a tobacco business to allow an individual who is less than 18 years of age to enter the tobacco business; or (2) an individual who is less than 18 years of age to enter a tobacco business.

Effective Date: July 1, 2011.

#### **Explanation of State Expenditures:**

**Explanation of State Revenues:** If additional court cases occur and infraction judgments and court fees are collected, revenue to the state General Fund may increase.

The maximum judgment for a Class A infraction is \$10,000, which is deposited in the state General Fund. The maximum judgment for a Class C infraction is \$500, which is also deposited in the state General Fund.

If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court. In addition, some or all of the document storage fee (\$2), automated record keeping fee (\$7), judicial salaries fee (\$18), the public defense administration fee (\$3), the court administration fee (\$5), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund.

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## **Explanation of Local Expenditures:**

**Explanation of Local Revenues:** If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

## **State Agencies Affected:**

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:** 

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